



Economic and Revenue Forecast Council

EMBARGOED until June 17, 2014 2:00 pm PDT when it will be released at www.erfc.wa.gov

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Slightly better than expected collections lead to small forecast increase

OLYMPIA, June 17, 2014 – The General Fund-State (GF-S) revenue forecast has been increased by \$157 million (0.5%) for the 2013-15 biennium and by \$238 million (0.7%) for the 2015-17 biennium.

General Fund-State revenues are expected to grow 8.2% between the 2011-13 and 2013-15 biennia and 8.3% between the 2013-15 and 2015-17 biennia. We expect the slow pace of economic recovery to continue in both the U.S. and Washington economies.

Risks to the baseline include the potential for slower Chinese economic growth, possible disruptions to the housing recovery and turmoil in the Middle East; recent labor market strength suggests potential upside risks as well.

Forecast of GF-S Revenue (probabilities in parenthesis): 2013-15

Baseline (50%): \$33.169 billion; \$157 million higher than the previous forecast.

Optimistic (25%): \$34.513 billion; \$1.344 billion more than the baseline forecast.

Pessimistic (25%): \$31.757 billion; \$1.412 billion less than the baseline forecast.

Governor's Council of Economic Advisors' assumptions: \$33.172 billion; \$2 million higher than the baseline forecast.

Forecast of GF-S Revenue (probabilities in parenthesis): 2015-17

Baseline (50%): \$35.935 billion

Optimistic (25%): \$39.593 billion; \$3.658 billion more than the baseline forecast.

Pessimistic (25%): \$32.334 billion; \$3.601 billion less than the baseline forecast.

Governor's Council of Economic Advisors' assumptions: \$36.057 billion; \$122 million higher than the baseline forecast.

Please see our full report for more information. You can access this report at:
http://www.erfc.wa.gov/forecast/documents/rev20140617_color.pdf

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About the ERFC:

The ERFC was established under RCW 82.33 to provide the Governor and the Legislature with official independent and professional forecasts of the state economy and revenues.